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NEWS .

Forbidden Fruit



THE case of United Fruit continues to be a problem of domestic and international concern with widening ramifications in and outside high Administration circles.

The investigation of our Latin American relations by the Senate Foreign Relations sub-committee, headed by Sen. Wayne Morse, is expected to probe deeply into the effects of economic, social and labor policies of American companies below the Rio Grande.

Already Vice President Nixon and Walter Bedell Smith, former Undersecretary of State and close triend of the President and Ike's former chief of staff, are involved with the effects of United Fruit policy on relations with peoples and government of Central American Republics. Here is how:

Mr. Nixon, bruised by the unfriendly reactions of certain Latin American groups to United States policy, has been painfully sensitive to the need for improving our international people to people policy. This feeling is now heightened by the success of New York's Governor elect Nelson A. Rockefeller in Latin American affairs!

With this in mind, he approached Gen. Walter "Beadle" Smith, who has become a member of United Fruit's board of directors, with a long list of grievances cited against the United Fruit Co. by democratic labor groups in Central.

According to incredulous, but reliable informants, Gen. Smith brushed the Nixon memorandum aside and indicated in plain words that some people better keep their noses out of other people's business.

By John Herling

Over the part 20 years, private U.S. enterprise has been found to have greatly improved its social and economic policies, but expert observers believe there is still allong way to go. Afready the Department of Justice has recognized the relationship between private enterprise and public policy, domestic and foreign.

In this connection the Senate investigators plan to look into the "consent decree" agreed upon by the Department of Justice and the United Fruit Co. which closed an anti-trust suit brought by the Government against the company for alleged violations of the Sherman Anti-Trust and the Wilson Tariff Acts.

Of special concern to the probers of foreign policy is the "sleeper" in the United Fruit consent decree which expressly forbids the Department of Justics from making information available on United Fruit policies. This puts a "keep out" sign against Senate investigators.

Key spokesman for United Fruit in its stepped-up public relations policy is Edmund'S. Whitman, director of the company's publicity department. His wife, Ann Whitman, is President Eisenhower's private secretary.

At a recent White House news conference, the President was deeply annoyed with a question on the labor relations policies of the United Fruit Co. He suggested sharply to his questioner that he bring such matters before a grand jury.

Since then, the White House has asked for and received a full account of the United Fruit/activities. The report confirms the company's hostility to democratic trade unionism in various Cenral American Republics and the adverse effects of public opinion there toward the United States.